

# ASSEMBLY CONSUMER AFFAIRS COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 5392**

with committee amendments

# STATE OF NEW JERSEY

DATED: JUNE 5, 2023

The Assembly Consumer Affairs Committee reports favorably and with committee amendments Assembly Bill No. 5392.

As amended and reported by the committee, Assembly Bill No. 5392 exempts from the Sales and Use Tax receipts from the retail sale of certain disaster preparedness supplies from September 21 to September 30 of each year. The amended bill defines “disaster” to mean a fire, flood, storm, tidal wave, earthquake, blizzard, or similar public calamity, whether man-made, resulting from war, or resulting from natural causes. While the tax holiday is intended to encourage households to adequately stock their homes in anticipation of emergent disasters, the general public may also make tax-free purchases for other non-business uses during this time period.

Under the amended bill, disaster preparedness related-items that are tax exempt during the holiday include: (1) general supplies, such as batteries, chargers, satellite phones, self-powered light sources, portable self-powered radios, two way radios, weather-band radios, weather radios, gas or diesel fuel containers, portable generators, portable power banks, storm shutter devices, sump pumps, and wet and dry vacuum cleaners; (2) safety supplies, such as carbon monoxide detectors, smoke detectors, smoke alarms, fire extinguishers, and first aid kits; (3) fastening supplies, such as bungee cords, rope, ratchet straps, ground anchor systems and tie down kits, tarpaulins and other flexible waterproof sheeting, boat anchors, fenders, anchor chains, and dock lines; and (4) food-related supplies, such as reusable ice, blue ice, water storage containers, non-electric food storage coolers, and manual can openers.

#### COMMITTEE AMENDMENTS:

The committee amended the bill to remove definitions for “disaster preparedness pet-related supplies” and “winter weather preparedness supplies,” excluding these items from the temporary sales tax exemption period. The committee amendments also remove reference to the definition for “domestic companion animal.”

The committee amendments require the Director of the Division of Taxation in the Department of the Treasury to request, in writing, additional definitions for the Streamlined Sales and Use Tax

Agreement's Library of Definitions. The committee amendments request that the director propose definitions for "disaster preparedness pet-related supplies" and "winter weather preparedness supplies" to the Streamlined Sales Tax Governing Board pursuant Section 903 of the multistate agreement.

The committee amended the bill to apply to all temporary exclusion periods held 60 days after enactment instead of 30 days.